

APPENDIX F
A.02-12-027
SOUTHERN CALIFORNIA GAS COMPANY
TEST YEAR 2004
SUMMARY OF EARNINGS
(Thousands of Dollars)

Line No.	Description	ADOPTED (2004\$)
1	Base Margin	\$ 1,457,008
2	Miscellaneous Revenues	45,025
3	Revenue Requirement	1,502,033
	<u>Operating and Maintenance Expenses</u>	
4	Clearing Accounts	57,291
5	Underground Storage	23,370
6	Transmission	38,321
7	Distribution	132,450
8	Customer Services	261,987
9	Uncollectibles ('04: 0.329%)	4,932
10	Administrative & General	349,714
11	Franchise Fees ('04: 1.5534%)	23,081
12	Subtotal (2001\$)	\$ 891,145
13	Labor Escalation Amount	33,709
14	Non-Labor Escalation Amount	11,815
15	Subtotal (2004\$)	\$ 936,670
16	O&M Reassignments	(54,330)
17	Total O&M Expenses	882,340
18	Depreciation	260,394
19	Taxes on Income	101,147
20	Taxes Other Than on Income	57,869
21	Total Operating Expenses	1,301,749
22	Return	200,284
23	Rate Base	2,307,420
24	Rate of Return	8.68%
25	Derivation of Base Margin	
26	O&M Expenses (Line 17)	882,340
27	Depreciation (Line 18)	260,394
28	Taxes (Line 19+20)	159,016
29	Return (Line 22)	200,284
30	Revenue Requirement	1,502,033
31	Less: Miscellaneous Revenues (Line 2)	45,025
32	Base Margin (Line 1)	\$ 1,457,008

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DISTRIBUTION EXPENSE
(Thousands of Dollars)

Line No.	Account No.	Description	ADOPTED (2004\$)
		<u>Operation</u>	
1	870	Supervision and Engineering	\$ 36,613
2	875	Meas. & Reg. Station Exp	664
3	878	Meter & House Regulator Exp	443
4	880	Other Exp.	56,748
5	881	Rents	44
6		Total Operation	<u>\$ 94,511</u>
		<u>Maintenance</u>	
7	886	Structures and Improvements	-
8	887	Mains	17,681
9	889	Meas. & Reg. Station Exp	1,363
10	892	Services	22,807
11	893	Meters & House Regulators	6,801
12	894	Other Equipment	-
13		Total Maintenance	<u>\$ 48,651</u>
14		TOTAL DISTRIBUTION	<u><u>\$ 143,163</u></u>

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SOUTHERN CALIFORNIA GAS COMPANY
TRANSMISSION EXPENSE
(Thousands of Dollars)

Line No.	Account No.	Description	ADOPTED (2004\$)
		<u>Operation</u>	
1	850	Supervision and Engineering	\$ 14,605
2	851	System Con. & Load Dispatching	2,719
3	852	Communications System Exp	-
4	853	Compressor Station	1,575
5	855	Other Fuel Power Compr Stations	1,447
6	856	Mains Exp	3,506
7	857	Measuring & Reg. Station Exp.	449
8	859	Other Exp	4,555
9	860	Rents	5,151
10		Total Operation	<u>\$ 34,009</u>
		<u>Maintenance</u>	
11	861	Supervision & Engineering	-
12	862	Structures & Improvements	54
13	863	Mains	2,692
14	864	Compressor Station Equipment	4,017
15	865	Measuring & Reg. Station Equip.	476
16	867	Other Equipment	115
17		Total Maintenance	<u>\$ 7,353</u>
18		TOTAL TRANSMISSION	<u><u>\$ 41,362</u></u>

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SOUTHERN CALIFORNIA GAS COMPANY
ADMINISTRATIVE & GENERAL EXPENSE
(Thousands of Dollars)

Line No.	Account No.	Description	2004 Estimated (2004\$)
1	920	Administrative & Gen. Salaries	\$ 29,813
2	921	Office Supplies and Exp	18,734
3	923	Outside Services Employed	123,763
4	924	Property Insurance	3,345
5	925	Injuries and Damages	35,214
6	926	Employee Pensions and Benefits	108,082
7	928	Regulatory Commission Exp	290
8	930	General Exp	3,555
9	931	Rents	23,723
10	935	Maintenance of General Plant	10,499
11		Subtotal	<u>\$ 357,019</u>
12	927	Franchise Fees	23,081
13		TOTAL ADMIN. & GEN.	<u><u>\$ 380,100</u></u>

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SOUTHERN CALIFORNIA GAS COMPANY
CUSTOMER SERVICES
(Thousands of Dollars)

Line No.	Account No.	Description	ADOPTED (2004\$)
1	807	Procurement Exp	\$ 3,931
2	879	Customer Install. Exp	92,712
3	901	Supervision	3,904
4	902	Meter Reading Exp	22,490
5	903	Cust. Rec. & Collect. Exp	138,893
6	905	Misc. Customer Accounts Exp	0
7	907	Supervision	379
8	908	Customer Assistance Expenses	17,041
9	909	Informational & Instructional Exp	2,674
10	910	Misc. Customer Svc & Info Exp	-
11		Subtotal	<u>\$ 282,026</u>
12	904	Uncollectible Accts	4,932
13		TOTAL CUST. ACCTS. & COLL.	<u><u>\$ 286,958</u></u>

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SOUTHERN CALIFORNIA GAS COMPANY
UNDERGROUND GAS STORAGE EXPENSE
(Thousands of Dollars)

Line No.	Account No.	Description	ADOPTED (2004\$)
		<u>Operation</u>	
1	814	Supervision and Engineering	\$ 7,297
2	815	Maps and Records	8
3	816	Wells Exp	2,512
4	817	Lines Exp	56
5	818	Compressor Station Exp	2,656
6	820	Measuring & Regulating Station Exp	-
7	821	Purification Exp	314
8	824	Other Exp	3,294
9	825	Storage Well Royalties	476
10	826	Rents	160
11		Total Operation Exp	<u>\$ 16,773</u>
		<u>Maintenance</u>	
12	830	Supervision & Engineering	\$ -
13	831	Structures and Improvements	20
14	832	Reservoirs and Wells	2,690
15	833	Lines	1,289
16	834	Compressor Station Equipment	3,653
17	835	Measuring & Reg Station Equipment	151
18	836	Purification Equipment	799
19	837	Other Equipment	3
20		Total Maintenance Exp	<u>\$ 8,605</u>
21		TOTAL UNDERGROUND STORAGE	<u><u>\$ 25,377</u></u>

APPENDIX F
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SOUTHERN CALIFORNIA GAS COMPANY
CLEARING ACCOUNTS
(Thousands of Dollars)

Line No.	Account No.	Description	ADOPTED (2004\$)
1	163	Purchasing & Warehouse	\$ 10,791
2	184	Clearing Accounts	48,918
3		TOTAL CLEARING ACCOUNTS	<u>\$ 59,709</u>